

DEPARTMENT OF WATER RESOURCES

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MAR 04 2009

To: Distribution List

The Supplemental Report of the 2007 Budget Act (Item 3860-001-0001) requires the Department of Water Resources to report quarterly to the Legislature (including budget and fiscal committees from both houses) on the capital outlay projects it has undertaken and plans to undertake with the funds appropriated. This report is submitted in compliance with this requirement and reports the cumulative expenditures and remaining commitments through the quarter ending December 31, 2007.

If you have any questions, please contact me at (916) 653-7007, or your staff may contact Mark W. Cowin, Deputy Director Integrated Water Management at (916) 653-7180.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Lester A. Snow', with a long horizontal flourish extending to the right.

Lester A. Snow
Director

Attachment

cc: (See attached list.)

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**EXPENDITURES AND COMMITMENTS FOR
CAPITAL OUTLAY PROJECTS
(Multiple Funds)**

As of December 31, 2007



State of California

California Natural Resources Agency

Department of Water Resources

INTRODUCTION

The Supplemental Report of the 2007 Budget Act requires the Department of Water Resources (DWR) to prepare and submit reports to the Legislature starting on [October 1, 2007] and quarterly thereafter. Specifically, the requirement reads as follows:

"Item 3860-301-Multiple Funds-Department of Water Resources-Capital Outlay

State Flood Control System, Capital Outlay Project Funding. Beginning on October 1, 2007, [DWR] shall report quarterly to the Legislature (including budget and fiscal committees from both houses) on the projects it has undertaken and plans to undertake with the funds appropriated. The report shall include information on the project title, the date the project was begun or is anticipated to begin, the total amount encumbered on the project to date, and the total estimated cost."

DWR previously defined the first report due on October 1, 2007 to contain expenditure and encumbrance data through June 30, 2007. Subsequent quarterly reports contain project data cumulatively to the end of each quarter of the fiscal year.

PROJECT EXPENDITURES AND COMMITMENTS

This report represents the second and third reports in the series of quarterly reports required by the Supplemental Report of the Budget Act of 2007.

Due to an extensive workload and limited staff, DWR was unable to prepare the quarterly report due on January 1, 2008. To atone for this omission, DWR has included the prior quarter expenditures in this report. That is, this report reports expenditures and commitments made through December 31, 2007.

The following tables list the project information required by the Supplemental Report, as well as provide the cumulative project expenditures and the appropriation balances by project. Table 1 lists the projects or types of projects DWR plans to undertake with the funds appropriated during the 2007-08 fiscal year, as well as some additional project information. Table 2 lists, by project or type of project, the appropriations, expenditures, commitments, and balances of the 2007-08 appropriations.

**Table 1: Capital Outlay Project Information (FY 07/08)
Reporting Period through December 31, 2007**

Funding Source	Project Title	Beginning or Anticipated Project Start Date	Current Estimate of Total Project Cost ¹
Proposition 1E			
	American River Flood Protection Project - Natomas Features (Phases 1B and 2)	Funds will not be used ²	\$ 51,990,000
	American River Watershed - Folsom Dam Raise Project	7/1/2010	\$ 227,700,000
	American River Watershed - Folsom Dam Raise Project, Bridge Element	3/14/2008	\$ 104,156,000
	Mid-Valley Levee Reconstruction Project (Areas 2, 3, and 4)	4/4/2000	\$ 43,204,000
	South Sacramento County Streams Project	5/20/2005	\$ 87,445,000
	State-Federal Flood Control Evaluations		
	Floodplain Mapping	1/15/2008	\$ 71,000,000
	Hydrology Development USACE LOA	3/1/2008	\$ 7,991,078
	Sutter Bypass East Water Control Structures	8/24/2007	\$ 11,000,000
	Sutter Pumping Plants Control Systems	8/24/2007	\$ 4,500,000
	Systemwide Levee Evaluations and Repairs		
	Erosion Repairs	3/6/2006	\$ 280,200,000
	Levee Repairs	3/6/2006	\$ 64,072,000
	Levee Evaluations	10/19/2006	\$ 205,000,000
	West Sacramento Project	7/12/1996	\$ 44,100,000
Subtotal Prop. 1E			\$ 1,202,358,078
Proposition 84			
	Frazier Creek-Strathmore Creek Feasibility Study	Unknown	\$ 3,000,000
	Rock Creek-Keefer Slough Feasibility Study	8/1/1999	\$ 2,354,000
	West Stanislaus-Orestemba Creek Project	Unknown	\$ 5,900,000
	White River-Deer Creek Feasibility Study	Unknown	\$ 3,000,000
Subtotal Prop. 84			\$ 14,254,000
General Fund			
	West Sacramento Project	7/12/1996	See Footnote 3
Subtotal GF			
Total			\$ 1,216,612,078

Footnotes:

¹The amounts shown include the State, federal, and local shares of the project.

²A \$3.74 million appropriation was intended to partially reimburse SAFCA for the State's share of the Natomas Features Project, which was completed by SAFCA in 1998. After receiving the appropriation, DWR determined that Prop 1E funds could not be expended on work completed prior to the enactment of the Bond Act. DWR has requested the appropriated funds be transferred to the Folsom Dam Modifications Project.

³West Sacramento Project is being funded by Proposition 1E and General Fund. The total estimated project cost in Table 1 is shown only under Proposition 1E.

TABLE 2: Capital Outlay Project Expenditures and Commitments (FY 07/08)
Reporting Period through December 31, 2007

Funding Source	Project Title	FY 07/08 Appropriations ¹	FY 07/08 Expenditures			FY 07/08 Remaining Commitments	FY 07/08 Appropriation Balance as of 12/31/2007
			Quarter 1 (Jul 1 - Sep 30)	Quarter 2 (Oct 1 - Dec 31)	Total Q1 + Q2		
Proposition 1E							
	American River Flood Protection Project - Natomas Features (Phases 1B and 2)	\$ 3,740,000 ²	\$ -	\$ -	\$ -	\$ -	\$ 37,400,002
	American River Watershed - Folsom Dam Raise Project	\$ 20,232,000	\$ -	\$ -	\$ -	\$ -	\$ 20,232,000
	American River Watershed - Folsom Dam Raise Project, Bridge Element	\$ 4,401,000	\$ -	\$ -	\$ -	\$ -	\$ 4,401,000
	Mid-Valley Levee Reconstruction Project (Areas 2, 3, and 4)	\$ 641,000	\$ -	\$ -	\$ -	\$ -	\$ 641,000
	South Sacramento County Streams Project	\$ 6,233,000	\$ -	\$ -	\$ -	\$ -	\$ 6,233,000
	State-Federal Flood Control Evaluations						
	Floodplain Mapping	\$ 12,009,000	\$ -	\$ -	\$ -	\$ -	\$ 12,009,000
	Hydrology Development USACE LOA	\$ 7,991,000	\$ -	\$ -	\$ -	\$ -	\$ 7,991,000
	Sutter Bypass East Water Control Structures	\$ 7,000,000	\$ 95,347	\$ 427,686	\$ 523,033	\$ -	\$ 6,476,967
	Sutter Pumping Plants Control Systems	\$ 4,500,000	\$ -	\$ -	\$ -	\$ -	\$ 4,500,000
	Systemwide Levee Evaluations and Repairs						
	Erosion Repairs	\$ 75,000,000	\$ 546,674	\$ 1,566,866	\$ 2,113,540	\$ 48,056	\$ 72,838,405
	Levee Repairs	\$ 20,000,000	\$ 180,000	\$ 147,464	\$ 327,464	\$ -	\$ 19,672,536
	Levee Evaluations	\$ 70,000,000	\$ 376,508	\$ 8,935,382	\$ 9,311,890	\$ 14,031,277	\$ 46,656,833
	West Sacramento Project	\$ 8,510,000	\$ -	\$ -	\$ -	\$ 1,363,469	\$ 7,146,531
Subtotal Prop. 1E		\$ 236,517,000	\$ 1,198,529	\$ 11,077,398	\$ 12,275,927	\$ 15,442,802	\$ 246,198,273
Proposition 84							
	Frazier Creek-Strathmore Creek Feasibility Study	\$ 327,000	\$ -	\$ -	\$ -	\$ -	\$ 327,000
	Rock Creek-Keefer Slough Feasibility Study	\$ 327,000	\$ -	\$ -	\$ -	\$ -	\$ 327,000
	West Stanislaus-Orestemba Creek Project	\$ 755,000	\$ -	\$ -	\$ -	\$ -	\$ 755,000
	White River-Deer Creek Feasibility Study	\$ 327,000	\$ -	\$ -	\$ -	\$ -	\$ 327,000
Subtotal Prop. 84		\$ 1,736,000	\$ -	\$ -	\$ -	\$ -	\$ 1,736,000
General Fund							
	West Sacramento Project	\$ 428,000	\$ -	\$ 418,618	\$ 418,618	\$ 9,232	\$ 150
Subtotal GF		\$ 428,000	\$ -	\$ 418,618	\$ 418,618	\$ 9,232	\$ 150
Total		\$ 238,681,000	\$ 1,198,529	\$ 11,496,016	\$ 12,694,545	\$ 15,452,033	\$ 247,934,423

Footnotes:

¹Amounts shown only reflect State's share. That is, the reimbursable portion has been subtracted from the payable portion of the appropriations and expenditures.

²The Prop 1E funds cannot be used to reimburse for work completed prior to the passage of the bond measures, i.e. November 7, 2006.